

COUNCIL ON HOUSING  
Public Session  
Smith & Co. Restaurant  
Milford, Delaware  
May 14, 2008

On May 14, 2008 Roseann Harkins, Chairperson, called to order the Public Session of the Council on Housing at 2:05 p.m. In addition to Ms. Harkins, the following Council members were present:

Russ Huxtable	Ruth Sokolowski
Hugh Leahy	John Walker
Connie Louder	Vincent White
Connie McCarthy	Norma Zumsteg
Bill Pearson	

The following persons also attended the meeting:

Thomas McGonigle, Esq., WolfBlock, LLP  
Saundra Johnson, Director, DSHA  
Tim McLaughlin, Deputy Director, DSHA  
Joe and Joan McDonough, Retiring Council Member and wife  
Matt Heckles, Executive Assistant, DSHA  
Lynda Blythe, Administrative Specialist III, DSHA

Guests present:

Cathy Gregory  
Mike Skipper, WSFS Bank

APPROVAL OF MINUTES

Mr. White moved that the Minutes of March 12, 2008 be approved as written. Seconded by Ms. Louder, the motion passed unanimously.

JOSEPH M. McDONOUGH RESOLUTION

Ms. Harkins presented Resolution No. 370 for Joseph M. McDonough (copy attached), and moved that it be approved. Mr. Walker seconded and the motion passed unanimously.

Ms. Johnson presented a State of Delaware, Office of Governor Tribute from Governor Minner to Mr. McDonough thanking him for his participation and acknowledging his contributions during his nine-year tenure on the Council. Mr. and Mrs. McDonough thanked the Council and Ms. Johnson for the recognition.

## GOVERNANCE COMMITTEE REPORT

Ms. Harkins stated the Governance Committee report would be given by Mr. White, Chair of the Governance Committee. Ms. Harkins noted the items presented at this time were for discussion purposes only and no vote would be taken. Resolution No. 10, establishing the Loan Review Committee, and a red-lined edition of the By-Laws were given to each member. Copies of both items are attached.

Mr. White stated, due to lull in funding requests, the Council has a good opportunity at this time to review and update the current By-Laws. Mr. White noted it is the Committee's intention, at this meeting, to only review those proposed By-Laws changes as noted in red, to wit:

### ARTICLE II

#### Section 3. Meetings.

- Stipulates that Council meetings be held at least two times per year in each County.

Mr. White explained this wording is for clarity only.

#### Section 7. Voting.

- Recommends email be included as a valid voting option.

Ms. Sokolowski asked if telephone voting would also be valid. Mr. McGonigle said the current state of FOIA (Freedom of Information Act), with regard to the Attorney General's position to date, is that teleconferencing is valid for achieving a meeting quorum and voting. However, per the Attorney General, email is not a valid option for voting, at this time, as the public could not observe the actual voting. Mr. Pearson also noted that email is not necessarily an instant communication, as opposed to instant messaging, and email servers could cause a delay in voting. Council suggested re-wording this section to include teleconferencing along with providing for future technologies that may become legal voting options.

### ARTICLE V - Officers

#### Section 1. Election and Term of Office.

- This new addition to the By-Laws proposes the Operations Committee be responsible for nominating a slate of officers to be presented to the full Council no later than thirty (30) days prior to the regular annual meeting of the Council and that nominations for officer may be accepted until the vote takes place. Council agreed the word "regular" be stricken and the wording be "...prior to the annual meeting....".

The fourth line, unchanged on the attached, states “New offices may be created...” The Council agreed the word ‘offices’ should be changed to read ‘officer positions’.

- Proposes the Chairperson term be changed from three (3) to two (2) consecutive one-year terms.

Mses. McCarthy, Harkins and Zumsteg believe the length of term should not be changed as the first term, quite often, is spent learning the position.

Mr. White stated the intent of this proposal is twofold: 1. to allow as many members become Chair who so desire to; and, 2. that presumption of knowledge by the Vice Chair will allow that person to seamlessly move into the Chair position. Mr. White noted further discussion of these points can be held when the final wording is being decided for approval by the full Council. Ms. Sokolowski stated, for succession planning purposes, most organizations are using a two-year rotation.

## ARTICLE VI - COMMITTEE

### Section 1. Committees.

- Establishes three standing committees: Loan Review, Operations and Communications Committees. Also provides, by resolution, the Council may designate one or more additional committees.
- States each committee shall consist of three or more members and each member of Council shall serve on at least one committee.
- Establishes Section 2. Standing Committee Duties. This verbiage is being inserted to the By-Laws to bring it in line with the verbiage of Resolution 10, as well as delineate the duties of the two new committees.

Mr. McGonigle stated, regarding the Loan Committee, the By-Laws would supersede the Resolution.

Mr. Leahy noted that the wording of the Communications Committee duties restricts communications from the Council to only those members of that committee. Ms. Sokolowski questioned if this committee should be required to approve all correspondence from the Council. Mr. Leahy also noted the current language specifies participating in the creation and communication of the state’s housing budget only. It was Mr. Leahy’s belief the committee would not be limited to merely communicating budget information. Mr. White stated that it was not the intent of the Governance Committee to restrict who on the Council could communicate nor what would be communicated. Mr. White asked the Council members to submit suggested wording to him so that he and Mr. McGonigle could present new wording at the next meeting.

- The remaining changes was the re-numbering of the sections due to the addition of a new Section 2.

#### ARTICLE IX - Conflict of Interest

- Instructs Council to adopt a conflict on interest statement to be provided to, and signed by each member, which would be retained for two years.
- Designates the Operations Committee to oversee Council member compliance of same.

It was agreed the term “conflict of interest statement” be changed to “conflict of interest policy”.

Mr. White also noted his Committee stressed the retention in the By-Laws of the sentence: “No Council member who has an interest shall vote on any matter relating to such interest.”

Mr. Leahy suggested adding wording to the effect that Council members pledge to comply to the signed policy.

Mr. White requested that Council members also send him samples of any conflict of interest statements they might have.

Mr. McGonigle questioned if the wording “...the Operations Committee will have oversight of Council member compliance...” meant that this committee would be charged with the monitoring of members’ compliance with the policy. Mr. White stated that was correct. It will also be the responsibility of the Operations Committee to see that the policy is signed by all members.

The Governance Committee will re-draft the By-Laws after all comments have been heard and received and present the draft to the Council at the next meeting.

Mr. White made motion to accept the Governance report as given. Mr. Leahy seconded the motion and it was unanimously passed.

Mr. McGonigle stated, in order to vote on the proposed By-Laws, notice must be given to the public 20 days prior to the voting date. The next Council meeting is scheduled for June 11, 2008; therefore, notice must be posted no later than the week ending May 23, 2008 and those By-Laws be made available at that time. Mr. McGonigle stated this deadline could be met. Ms. Harkins asked that the revised By-Laws be made available to Council members via email and U.S. mail as well. Ms. Harkins also suggested, and the Council agreed, that the effective date of the revised By-Laws be the first meeting of the next fiscal year.

## DIRECTOR'S REPORT

Ms. Johnson reported on the following:

### New Members

- Welcomed Mr. Huxtable and Mr. Pearson to the Council. Their Council orientation took place May 9, 2008.
- All newly appointed Council members will attend orientation and all Council members are invited to attend.
- A draft press release of the forthcoming announcement of the appointments of Messrs. Huxtable, Leahy and Pearson was reviewed (copy attached).

### Joint Bond Bill Committee Hearing

- Held April 28, 2008.
- Ms. Harkins testified at the hearing which Mr. McDonough also attended.
- 12 people spoke at the Bond Bill meeting. A representative from The House of Pride in Dover made eloquent remarks pertaining to the need for affordable housing.
- DSHA and the Housing Coalition worked together to give a clear presentation to the Bond Bill committee of the requested funds including the purpose, longevity and need.
- Combined funds requested from the Joint Finance Committee and the Bond Bill Committee total approximately \$9 million.

### DEMAP

- Still active with funding, education and outreach.
- NeighborhoodWorks, a chartered, Congressionally created, non-profit organization, has provided Delaware approximately \$300,000 for various housing counselors. Additional funds will be forthcoming but the amount is unknown.
- Approximately \$400,000 remains of the \$1.4 million combined contribution of DSHA, City of Wilmington and New Castle County for this fiscal year.

Ms. Harkins requested an update on:

### Courtyard Apartments

- Sold March 24, 2008 for \$4.1 million.
- Use of the property by the new owner is unknown.
- 99 families relocated with subsidy vouchers.

Ms. Harkins also inquired about a disputed DSHA loan that was brought to Council's attention a number of years ago. Ms. Johnson stated that the matter was resolved in DSHA's favor.

## OTHER BUSINESS

Ms. Harkins thanked Ms. Zumsteg and Ms. McCarthy for attending the Fair Housing Lunch and Forum on behalf of the Council. Ms. Harkins reminded Council that any member is invited to attend and speak at hearings.

Ms. McCarthy, as Chair of the Nominating Committee Chair, reported:

- A Council member information sheet (copy attached) is available.
  - Another Council member is needed (due to the retirement of Mr. McDonough).
  - In order to maintain the prescribed make up of the Council, an At-Large, registered Republican member is needed.
  - Two possible candidates have been recommended and expressed interest in becoming Council members: Ralph Peters, a registered Republican involved with Habitat for Humanity in Sussex County, recommended by Ms. Harkins; and, Ms. Louder has spoken to Doug Krause whose background is in finance and community involvement.
  - Resumes of both candidates will be emailed by Ms. McCarthy when received.
  - Candidates have been asked to complete the on-line application for Council membership and submit to the Governor's office.
  - Council members were asked to submit additional names for future appointments.
  - A slate of officers will be presented at the next meeting and placed on the agenda.
- Mr. Walker to be nominated as Chair but no Vice Chair nominee at this time.

Mr. White asked what the staff's role is regarding nominees. Ms. Johnson replied there is no stated role; however, the Governor would be advised should potential members be known to have conflicts which would frequently prevent them from voting. Mr. White expressed concern that: 1. Council members were not being advised of the applicants by DSHA and, 2. a fair representation of the state was not being accomplished. Ms. Harkins explained, as a result of recommendations from the Joint Sunset Committee, the Nominating Committee had been created to help distance the Council from DSHA as well as provide a broader spectrum of candidates. Ms. Sokolowski recommended Council keep racial and ethnic diversity in mind when considering potential members.

## SCHEDULING OF NEXT MEETING

The next Council meeting is scheduled for Wednesday, June 11, 2008, at 2:00 p.m. at the Duncan Center in Dover.

## ADJOURNMENT

Motion for adjournment was made by Ms. Zumsteg and seconded by Mr. Walker. The motion was unanimously approved and the meeting adjourned at 3:32 p.m.

Respectfully submitted,

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Lynda T. Blythe